

TC 40-408 PAY ESTIMATE INSTRUCTIONS

The Consultant

The consultant should complete all non-shaded fields on the most current pay estimate form, TC 40-408. See Professional Services website: <http://transportation.ky.gov/Professional-Services/Pages/Forms.aspx>. Shaded fields have formulas. The non-shaded fields are explained below.

- a) *KYTC Contract Number, Funding, Federal No., State No., Item Number, Effective Date of Notice to Begin Work, and County/Route/Mile Point* can be found on the Agreement (Letter Agreement for Statewide Agreements).
- b) *Estimate No.* – The estimate number followed by an indication as to whether or not it is a partial or final payment (e.g. 1P = first estimate, 2F = second and final estimate). As of November 2015, all Final Pay Estimates shall be emailed in PDF format and must follow procedures outlined in the *Professional Services Guidance Manual 15-07.0300 FINAL PAYMENTS*.
- c) *Consultant Name and Address* – list billing address. Please contact the Finance and Administration Cabinet to add, modify, or correct a billing address. You can contact Finance at (502) 564-6690.
- d) *Invoice Date* – the date you complete the estimate sheet.
- e) *For Work Done* – the time period during which currently billed services were performed. Note: These dates cannot fall outside the dates listed in the Agreement; these dates must be after the Notice to Proceed date and before the expiration date as specified in the Agreement.
- e) *Previous Earnings* – the sum of all preceding estimates.
- f) *Earnings this Estimate* – the amount billed for services performed during the time period listed in the *For Work Done* fields.
- g) *DBE Portion of Estimates* – list any DBE participation for this billing period in the designated box in the lower left corner of the form. Include DBE firm name and amount of DBE participation.
- h) *Consultant Signature* – leave blank on the Excel spreadsheet until printed.
- i) A partial payment request cannot leave a remaining balance of less than \$5,000 as this will liquidate the contract encumbrance and close the contract.

Print the estimate. The Consultant's Project Manager, CFO, or CEO should sign the *Consultant Signature* block. After signing, scan the estimate form as a PDF.

Email the following attachments to the KYTC project manager listed at the bottom of the estimate sheet:

- PDF of the signed TC 40-408 Pay Estimate
- PDF of the signed PSC Invoice Form
- Consultant Monthly Report
- For Statewide Agreements, include a scanned copy of the Letter Agreement
- For Cost Plus a Fixed Fee Contracts, include a breakdown of Estimated costs.
- For Final Pay requests, include a copy of the last project chronology memo.

TC 40-408 PAY ESTIMATE INSTRUCTIONS

KYTC Project Manager

The KYTC Project Managers should review all attachments.

- a) **Consultant Monthly Report (CMR)** should be consistent with scheduled milestones contained in the agreement (letter agreement for statewide agreements). For Roadway Design Projects, see Highway Design's form website for most current Consultant Monthly form:
<http://transportation.ky.gov/Highway-Design/Pages/HighwayDesignForms.aspx>
 - Update milestone schedules in Preconstruction Database per CMR.
 - Store updated CMR in ProjectWise directory: **Item Number → Milestones & Submittals → Project Documents**
- b) **Estimate sheet**
 - *KYTC Contract Number, Funding, Federal No., State No., Item No., Effective Date of Notice to Begin Work, County/Route/Mile Point, Method of Fee, and Total Contract Amount* should match the Agreement information. Contract Agreements are located in the ProjectWise directory: **District → Item No. → Milestones & Submittals → Professional Services**.
 - Check *Previous Earnings* for the current estimate against *Total Earnings to Date* on the previous estimate to verify they match.
 - Note whether or not percentages complete reported on the estimate sheet are consistent with progress/status reports. Verify that percentages (and earnings) on the estimate sheet do not exceed scheduled milestones.
- c) Check remaining balance in PON2 encumbrance vs. the pay estimate contract amount, less the pay estimate paid to date amount. These should match.
- d) Check the projects unobligated amount to ensure adequate funding is available for other activities that may be charging to the project.
- e) A partial payment request cannot leave a remaining balance of less than \$5,000 as this will liquidate the contract encumbrance.

For Partial Payments

After reviewing the estimate, the KYTC Project Manager should forward the email with PDF attachments to KYTC District Administrative Staff. The following language must be in the body of the email verbatim: "I have reviewed the attachments and certify that, based on the information provided, requested costs are allowable." Continue to *KYTC District Administrative Staff* instructions.

For Final Payments

After reviewing the estimate, the KYTC Project Manager should complete final evaluation. Roadway design evaluations are to be completed using the following Consultant Evaluation application: <https://intranet.kytc.ky.gov/org/DHD/Pages/Consultant-Evaluations.aspx>. KYTC Project Manager should forward all final payment attachments, consultant evaluation and [consultant closeout checklist](#) in PDF format to KYTC Roadway Design Branch Manager and copy the district Location Engineer. Continue to *KYTC Roadway Design Branch Manager* Instructions.

TC 40-408 PAY ESTIMATE INSTRUCTIONS

KYTC District Administrative Staff

For Partial Payments, the KYTC Administrative staff will receive the forwarded email from the KYTC Project Manager with the required language in the body of the email. They should then create the Partial Payment against the KYTC Contract Number listed on the estimate for the amount requested in the *Earnings This Estimate* column of the Estimate sheet.

The creator cannot approve their own payment so a separate individual will serve as the first line approver. In eMARS the reviewer should:

- a) Make sure the Actual Amount on the PRC Header matches the *Earnings This Estimate* on the estimate sheet.
- b) Make sure the information on the Vendor section of the PRC matches the *Consultant Name and Address* on the estimate sheet.
- c) Make sure the Received Service dates on the Commodity section of the PRC match the *For Work Done* section of the estimate sheet.
- d) Make sure the Commodity Ref ID (Reference subsection) of the Commodity section in the PRC matches the *KYTC Contract Number* on the estimate sheet.
- e) Make sure the funding codes in the Accounting section (Fund and Detailed subsections) match the funding section of the estimate sheet.
- f) For any DBE participation shown on the lower left side of the invoice entered the total DBE participation amount as separate accounting line with Department Object Code DBE.
- g) For partial payment, request cannot leave a remaining balance of less than \$5,000 as this will liquidate the contract encumbrance.

The first line approver in eMARS should forward the email to [KYTC Consultant Estimate Accounts](#) for final approval. For Roadway Design Projects, copy the Location Engineer per Highway Design Manual HD-205.

A summary of payments can be filtered and viewed via Project Manager's Toolbox: <https://pmttoolbox.kytc.ky.gov/> Click on the Expenditures for a specific Program code. Next, export as Excel file to filter by consultant for payments.

Division of Accounts Pre Audit staff will perform the same review as the first level approver in eMARS.

TC 40-408 PAY ESTIMATE INSTRUCTIONS

KYTC Roadway Design Branch Manager

For Final Pay Estimates, the KYTC Project Manager should email a PDF of the estimate and all necessary supporting documentation to the KYTC Roadway Design Branch Manager with the exact statement in lieu of physical signatures to indicate approval, "I have reviewed the attachments and certify that, based on the information provided, requested costs are allowable."

The Roadway Branch will then request an evaluation from the Location Engineer who will also confirm with the District the following items:

- a) Has all "design" work been accomplished? Determination made by Location Engineer and or Project Manager after conferring with all appropriate Central Office Divisions. (Highway Design, Structural Design, Environmental Analysis, Geotechnical Branch, etc.)
- b) Are there consultant contract modifications not completed? (Highway Design, Structural Design, Environmental Analysis, Geotechnical Branch, etc.)
- c) Have all necessary consultant evaluations been completed? (Highway Design, Structural Design, Environmental Analysis, Geotechnical Branch, etc.)
- d) Has an audit of cost plus components of the consultant contracts been issued by the Division of Professional Services?
- e) Have all payments been processed?

Once items are completed, the average of District and Central Office evaluations shall become the Final Rating from the Consultant's performance. The Roadway Branch will prepare a letter to the Consultant, with a copy sent to the PDM, summarizing the Evaluation and the Average Final Rating. Copies of the Evaluations, PSC Invoice form, and Final Pay Estimate are sent to the Division of Professional Services.

The Roadway Design Branch Manager shall ensure the Design Phase Program and Project Closeouts are performed in a timely manner. See Highway Design Manual HD-205 for more details.

TC 40-408 PAY ESTIMATE INSTRUCTIONS

Division of Professional Services

The Division of Professional Services is only responsible for Final Payments and Letter Agreements. The Administrative staff should receive an email from the Division of Highway Design with the required approval language in the body of the email along with the attached Final Pay Estimate form, PSC Invoice form, and Consultant Evaluation. They should verify the Final Payment against the *KYTC Contract Number* listed on the Pay Estimate form (TC 40-408) for the amount requested in the *Earnings This Estimate* column of the estimate sheet.

In eMARS, the Professional Services administrative staff should:

- a) Make sure the *Actual Amount* on the PRC Header matches the *Earnings This Estimate* on the Estimate sheet.
- b) Make sure the information on the Vendor section of the PRC matches the *Consultant Name and Address* on the Estimate sheet.
- c) Make sure the *Received Service* dates on the Commodity section of the PRC match the *For Work Done* section of the Estimate sheet.
- d) Make sure the *Commodity Ref ID* (Reference subsection) of the Commodity section in the PRC matches the *KYTC Contract Number* on the Estimate sheet.
- e) Make sure the funding codes in the Accounting section (Fund and Detailed subsections) match the funding section of the Estimate sheet.
- f) Make sure there is a separate accounting line with Department Object Code “DBE” for any DBE participation shown on the lower left side of the Final Pay Estimate form.
- g) Submit the Final Payment request to the Director of Professional Services in eMARS and forward a separate email with each required attachment.

The Director of Professional Services should:

- a) Review and apply Level 1 approval of the Final Payment request (PSC) in eMARS to close out the Consultant contract.
- b) Forward an email with each required attachment to [KYTC Consultant Estimate Accounts](#) to request approval. This email will serve as an electronic signature.

The Division of Accounts administrative staff should:

- a) Review and approve the Final Payment request (PSC) in eMARS. The Finance Cabinet will initiate reimbursement to the Consultant.
- b) Upon approval by the Finance Cabinet, the Final Payment request will liquidate the contract encumbrance.